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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : Chapter 11 Case No.
:
LEHMAN BROTHERS HOLDINGS INC., et al., : **08-13555 (JMP)**
:
Debtors. : **(Jointly Administered)**
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**QUARTERLY REPORT PURSUANT TO ORDER PURSUANT TO
SECTION 105(a) OF THE BANKRUPTCY CODE AND BANKRUPTCY
RULES 3007 AND 9019(b) APPROVING SETTLEMENT PROCEDURES**

Pursuant to the Order Pursuant to Section 105(a) of the Bankruptcy Code and
Bankruptcy Rules 3007 and 9019(b) Approving Settlement Procedures, entered on March 31,
2010 [Docket No. 7936] (the “Order”),¹ the Court granted Lehman Brothers Holdings Inc. and
its affiliated debtors in the above-referenced chapter 11 cases (together, the “Debtors”) authority
to settle certain prepetition claims in accordance with the procedures set forth in the Order.

¹ All capitalized terms used but not defined herein shall have the meanings ascribed to them in the Order.

As required by the Order, the Debtors hereby file the quarterly report of all settlements entered into during the period January 1, 2011 to and including March 31, 2011 pursuant to the Settlement Procedures set forth in the Order, annexed hereto as Exhibit A.

Dated: May 5, 2011
New York, New York

/s/ Robert J. Lemons
Robert J. Lemons

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Exhibit A
(Quarterly Report)

Claimant	Claim #	Type of Claim	Filed Claim		Claim Settlement		Priority of Claim	Date (Approx)
			Amount		Amount	Settlement Amount		
McDonnell Loan Opportunity Ltd.*	17630	General Unsecured	\$ 328,345.87	**	\$ 225,946.73	General Unsecured		12/22/2010
McDonnell Loan Opportunity Ltd.	17632	General Unsecured	\$ 250,000.00	**	\$ 250,000.00	General Unsecured		2/4/2011

* This claim was settled on December 22, 2010, and was inadvertently not included on the previous quarterly report filed by the Debtors on January 26, 2011.

** plus unliquidated amount